

# **FREEDOM OF INFORMATION AND PRIVACY ACTS**

**SUBJECT: MORRIS B. DALITZ**

**FILE NUMBERS: 183-HQ-912; AND 183-SD-57**

**PART: 11 OF 12**



**FEDERAL BUREAU OF INVESTIGATION**

**FEDERAL BUREAU  
OF INVESTIGATION**  
**FREEDOM OF INFORMATION/PRIVACY ACTS  
RELEASE**

**SUBJECT:** MORRIS B. DALITZ

**FILE:** 183-912

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# FEDERAL BUREAU OF INVESTIGATION

## FOIPA DELETED PAGE INFORMATION SHEET

Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☐ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

### Section 552

### Section 552a

☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☐ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☐ (b)(7)(C)☐ (k)(1)☐ (b)(7)(D)☐ (k)(2)☐ (b)(7)(E)☐ (k)(3)☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to the subject of your request.
- ☐ Information pertained only to a third party. The subject of your request is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

15 Pages were not considered for release as they are duplicative of 183-57-8, 14, 18, 25

☐ For your information: \_\_\_\_\_

- ☒ The following number is to be used for reference regarding these pages:

183-912-1, 2, 3, 4

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

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FBI/DOJ

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

## Section 552a

☐ (d)(5)

□ (i)(2)

□ (k)(1)

□ (k)(2)

☐ (k)(3)

☐ (k)(4)

☐ (k)(5)

☐ (k)(6)

☐ (k)(7)

☒ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

\_\_\_\_\_ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld inasmuch as a final release determination has not been made. You will be advised as to the disposition at a later date.

Pages were not considered for release as they are duplicative of

☐ For your information:

☒ The following number is to be used for reference regarding these pages:

183-912-5

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XXXXXXXXXXXXXXXXXXXXX
X  DELETED PAGE(S)   X
XNO DUPLICATION FEE  X
X   FOR THIS PAGE    X
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FBI/DOJ

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
Records Branch

ION

, 19\_\_

- ☐ Name Search Unit, 4543 JEH-FBI Bldg.  
☐ Service Unit, 454 JEH-FBI Bldg.  
☐ Forward to File Review  
☐ Attention \_\_\_\_\_  
☐ Return to \_\_\_\_\_ Room \_\_\_\_\_ Ext. \_\_\_\_\_

## Type of Search Requested:

- ☒ Restricted Search Not Applied  
☒ All Reference (Subversive & Nonsubversive)  
☐ Subversive Search  
☐ Nonsubversive Search  
☐ Main \_\_\_\_\_ References Only

## Special Instructions:

- ☐ Restricted to Locality of \_\_\_\_\_  
☐ Exact Name Only (On the Nose)  
☐ Buildup ☐ Variations

Subject Dalitz, Moe  
 Birthdate & Place \_\_\_\_\_  
 Address \_\_\_\_\_

Localities \_\_\_\_\_

R# 371 Date 11/15 Searcher Initials 135  
 Prod. W. \_\_\_\_\_

	FILE NUMBER	SERIAL
NP I	129-75588	
NP I	183-912	
NP I	62-5-9665	
NP I	62-7-46-435	
NP I	62-104518-1310	
NP I	92-6054-3511	
NP I	92-7301-12	
NP I	92-14122-1	
NP I	92-14204-1	
NP I	163-40036-1	
	183-977-22	
	Moe B	DEC 1 1978
	64-330-345-5-7284	
	MORRIS Barney	
	SI	
	MORRIS B	
NP I	62-115530-10233	
	MORRIS	
NP I	92-18303-5	P7



~~CONFIDENTIAL~~

December 19, 1978

Referred

[REDACTED]

RECEIVED IN

b7c

[REDACTED], our central files reveal that [REDACTED] was the subject of an anti-racketeering investigation by our Los Angeles Office to determine if he was connected with illegal gambling activities in violation of Federal Statutes. No information was developed which would indicate [REDACTED] was actively engaged in racketeering activities. However, he maintained contact with numerous individuals who were engaged in criminal activities. Reports captioned [REDACTED] "Anti-Racketeering," with the last report by Special Agent [REDACTED] were furnished to the Organized Crime and Racketeering Section of the Criminal Division. [REDACTED]

b7c

- 1 - SAC, Milwaukee (145-353)
- 1 - SAC, Pittsburgh (145-430)

EX-114

REC-31

2 DEC 22 1978

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. \_\_\_\_\_
- Asst. Dir.:
- Adm. Servs. \_\_\_\_\_
- Crim. Inv. \_\_\_\_\_
- Ident. \_\_\_\_\_
- Intell. \_\_\_\_\_
- Laboratory \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Plan. & Insp. \_\_\_\_\_
- Rec. Mgmt. \_\_\_\_\_
- Tech. Servs. \_\_\_\_\_
- Training \_\_\_\_\_
- Public Affs. Off. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_
- Director's Sec'y \_\_\_\_\_

Original & 1 referred

(7)

XEROX  
JAN 2 1979

61 JAN 24 1979 MAIL ROOM ☐



Moe Dalitz; [REDACTED]  
[REDACTED]

[REDACTED] was also one of the subjects of a criminal-type investigation by our Los Angeles Office in connection with gambling activities. [REDACTED] and the other individuals were indicted on June 6, 1976, for violation of Title 18, United States Code, Section 1955. On October 26, 1976, Special Attorney, Strike Force, Los Angeles, advised that the indictments against all of the subjects would be dismissed. Reports captioned [REDACTED] Et Al; Illegal Gambling Business, with last report by Special Agent [REDACTED], were furnished to the Organized Crime and Racketeering Section of the Criminal Division. [REDACTED]

b7c [REDACTED] was one of the subjects of a criminal-type investigation by our Cleveland Office in connection with the assault of a Deputy United States Marshal in September, 1968. He was indicted for violation of Title 18, Section 111, United States Code, which was dismissed following a plea of guilty to Title 18, Section 1501, for which he was fined \$300. Reports captioned [REDACTED] - Victim; Assaulting a Federal Officer, with last report by Special Agent [REDACTED], were furnished to the United States Attorney, Cleveland. [REDACTED]

[REDACTED] was also one of the subjects of a criminal-type investigation by our Cleveland Office in connection with interstate transportation of obscene matter. On March 25, 1976, the Federal Grand Jury returned a 29-count indictment charging [REDACTED] and the other individuals with violation of Title 18, United States Code, Sections 1461, 1462, 1465, 371 and 2. On July 24, 1978, verdicts of acquittal were returned against all individuals. Reports captioned [REDACTED] Et Al; Interstate Transportation of Obscene Matter - Conspiracy, with last report by Special Agent [REDACTED] were furnished to the Organized Crime and Racketeering Section of the Criminal Division. [REDACTED]

In addition, [REDACTED] is one of the subjects of a criminal-type investigation presently being

Moe Dalitz. [REDACTED]

conducted by our Milwaukee Office in connection with interstate transportation of obscene matter while doing business as Castle News Company, Incorporated, Butler, Wisconsin. Reports captioned [REDACTED] Castle News Company, Incorporated, Butler, Wisconsin; Interstate Transportation of Obscene Matter." with last report by Special Agent [REDACTED] were furnished to the United States Attorney, Milwaukee. [REDACTED]

[REDACTED] is also one of the subjects of a criminal-type investigation presently being conducted by our Pittsburgh Office in connection with interstate transportation of obscene matter while doing business as the Sovereign News Company, Cleveland, Ohio. Reports captioned [REDACTED] Et Al: Interstate Transportation of Obscene Matter; Bank Fraud and Embezzlement." with last report by Special Agent [REDACTED] were furnished to the United States Attorney, Pittsburgh. [REDACTED]

b7c [REDACTED] was one of the subjects of a criminal-type investigation by our Los Angeles Office following the burglary of the Bank of America, Devonshire - Reseda Branch, Northridge, California, on February 13, 1968. [REDACTED] was sentenced to one-to-fifteen years on a local charge involving burglary and receiving stolen property. The Assistant United States Attorney, Los Angeles, declined prosecution in view of the local prosecution. Reports captioned [REDACTED] Et Al: Bank Burglary, with last report by Special Agent [REDACTED] were furnished to the United States Attorney, Los Angeles. [REDACTED]

Our files contain no additional pertinent information concerning [REDACTED] and [REDACTED] and no pertinent information identifiable with Moe Dalitz and, on the basis of the data furnished, no information identifiable with any of the above-captioned individuals was located in NCIC.

Enclosures (4)

**FEDERAL BUREAU  
OF INVESTIGATION**

**FREEDOM OF INFORMATION/PRIVACY ACTS  
RELEASE**

**SUBJECT:** MORRIS B. DALITZ

**FILE:** SD183-57

CASE SUGGESTION WRITE-UP

MERVYN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MCLASKY;  
ALLARD ROEN;  
dba RANCHO LA COSTA, INC.;  
LA COSTA LAND COMPANY;  
LA COSTA MANAGEMENT COMPANY  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
OO: San Diego  
(SD File 183-NEW)

INSPECTOR [REDACTED]

This case suggestion write-up is being formulated during this inspection after review of captioned case, "RANCHO LA COSTA, INC.; ET AL; AR 00: San Diego (SD File 92-398)," which was assigned to SA [REDACTED] opened on 2/5/74, and closed by report to Bureau on 10/22/75. Captioned business has received tremendous notoriety throughout the country by the news media. Recent information received from reliable sources indicates the possibility that illegal activities have been going on at Rancho La Costa by various organized crime figures. The following pertains to the background of Rancho La Costa, Inc.:

Rancho La Costa is a plush country club with high prestige homes located in the surrounding area. This development was originally founded, promoted and run by the above captioned four subjects, MERVYN ADELSON, IRWIN MCLASKY, convicted stock manipulator, ALLARD ROEN, protege of MEYER LANSKY, and former bootlegging and gambling figure MORRIS BARNEY DALITZ, aka Moe, who is second in the National Jewish Mob only to MEYER LANSKY. La Costa represents some 5,800 acres of prime real estate in the Northern San Diego Community of Carlsbad. Its development started in 1964, and now represents a \$57 million investment of the Teamsters through loans and commitments from the Central States Pension Fund (CSPF). (This fund is currently being audited by the United States Labor Department.)

SAN DIEGO INSPECTION  
6/1/76  
[REDACTED]

183-57-1

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 23 1976	
FBI - SAN DIEGO	

ADELSON and MOLASKY, in addition to their role at La Costa, are also successful producers of Lorimar Productions that own the popular TV series, "The Waltons", and "Blue Knight."

b7C  
Rancho La Costa has become one of the famous spas along with Palm Springs, California, and Las Vegas, Nevada, which are used by numerous nationally prominent LCN figures, such as TONY PROVENZANO, aka Tony Pro, NICK CIVELLA, NICK RATTENNI, JOE AMATO [REDACTED] and numerous other LCN members. The list of LCN-type hoodlums and labor racketeers is extensive that use La Costa as a meeting and social place away from their homes. Also, even known ranking Teamster officials are constantly receiving special treatment, including [REDACTED], at the La Costa Spa.

Since 1974, numerous allegations have arisen regarding secret underworld meetings helds at exclusive residences on the Rancho La Costa grounds and that groups of prostitutes are brought in from Las Vegas to handle the needs of visiting racketeers, Teamster officials, and bookmakers from all over the country. Bookmakers are most prevalent during the Del Mar racing season and accommodate overflow bettors and high rolling gamblers during the 46-day racing season. This period is alleged to be one of the highlights of the national hoodlum season.

In view of the fact that recent information received from reliable sources indicate possible Federal violations at Rancho La Costa, and the fact that the San Diego Division has developed a tremendous amount of background and intelligence information regarding captioned subjects, it is suggested that this case should be reopened under the above substantive classification RICO. This case offers excellent potential for a successful RICO prosecution and should be given continuous preferred investigative attention. [REDACTED]

b7D [REDACTED]. It is recommended that you follow the below-cited outline in establishing possible prosecutive results in this case:

1) Review indices and consolidate all information concerning the subjects and captioned businesses under one file. Include all informant information into this new file.

2) Determine additional background concerning subjects and businesses through review of various records at the local, state and federal levels, and include FBI Identification Division for criminal records, possible leads and photographs.

3) Immediately review San Diego file 92-398, and analyze all pertinent information to assist in this investigation.

4) After above evaluation, formulate an investigative plan, including manpower needs, fisurs, misurs, elsurs and any other necessary plans. Set up initial budget for expenses to be approved by FBIHQ. Indicate projected time needed, monthly expenses for continuance, and any other miscellaneous items.

5) After preliminary investigation, planning and discussions, contact U.S. Attorney regarding this important case.

6) In your pre-planned study, consider selection of appropriate undercover Agent and include his role or position in this undercover operation where he can be most effective.

7) Attempt to consider use of Agent personnel assigned to Escondido Resident Agency to assist in this undercover operation. Include these individuals in all pre-planning and discussions.

8) Will discuss with U.S. Attorney all possible legal problems and the possibility of utilizing body recording and transmitting device on undercover Agent. Include the wiring of suitable vehicle to be used in this

operation for possible recording of conversations between undercover agent and subjects.

9) Discreetly contact all [redacted] and information of the illegal activities at Rancho La Costa. b7D

10) [redacted] used by underworld figures going to Rancho La Costa. This is most important since it will help to establish the flow of prostitutes coming into Rancho La Costa.

11) Set up the necessary administrative support through one clerk and one stenographer, who will solely handle this operation.

12) Set up security precautions regarding this undercover operation which will be handled on a need-to-know basis in your office.

Should the objectives of this investigation be obtained as a result of the above suggestions, it should not be considered all inclusive, FBIHQ should be so advised by routing slip, (Attention: Inspection Division).

Comments of SA [redacted]  
Supervisor [redacted] and SAC requested. b7C

SA [redacted]:  
6/2/76  
[redacted]  
The comments of the Inspector have been carefully reviewed and his suggested course of investigation concerning Rancho La Costa is worthy of pursuit. I will lend my full support to the investigation instituted by this office to achieve the most favorable results.

Supervisor [redacted]:  
6/2/76  
[redacted]  
The suggestions and comments of the Inspector are appreciated. The present commitment of manpower to other organized crime targets precludes immediate allocation of manpower needed to implement this investigation. Consistent with available manpower, the Inspector's suggestion will be implemented.

b7c SAC [REDACTED]  
6/3/76 [REDACTED]

The Inspector's analysis and suggestions relative to Rancho La Costa are certainly valid and are appreciated. I concur that a definite potential exists in the Rancho La Costa complex for substantial prosecutive accomplishments.

Recognizing that the type of investigation which will be required is such that a substantial manpower allotment will be necessary, I feel compelled at this time to limit our efforts to a compilation of intelligence data as indicated generally by the Inspector in suggestions 1 through 3. Thereafter a re-evaluation will be made and hopefully manpower can be diverted to delve more deeply into that operation as the Inspector has suggested.

As the Inspector will recognize, we have considerable manpower currently devoted to White Collar and Organized Crime matters which have good potential for accomplishments. To fully explore Rancho La Costa at this time would by reason of manpower limitations require abandoning other matters prematurely and thereby wasting already expended agent time. I do however fully concur with the Inspector except for our ability presently to expend the personnel other than I have indicated above and this will be done.



UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-New) (P)

DATE: 7/23/76

FROM : SUPERVISOR [REDACTED]

SUBJECT: MERVYN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD KOEN;  
dba RANCHO LA COSTA, INC.;  
LA COSTA LAND COMPANY;  
LA COSTA MANAGEMENT COMPANY  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SD)

b7c  
Pursuant to the instructions of the Inspector in his case suggestion write-up on above-captioned matter, a new case is being opened at this time and a copy of the case suggestion write-up is being placed in this file for the guidance of the case Agent. It is requested that case Agent immediately review Inspector's write-up and implement his suggestions where feasible. Due to commitments in other investigative areas at this time, additional manpower will not be expended on this investigation. However, at some future date, after the preliminary investigation has been conducted, an evaluation will be made as to manpower needs.

② 183-New (Attachment)

(2) [REDACTED]



5010-110

183-57-2

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 23 1976	
FBI - SAN DIEGO	

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

INLEY, KUMBLE, HEINE, UNDERBERG & GRUTMAN

OCT 22 4 51 PM '75

DEPUTY  
ATTORNEY GENERAL

477 MADISON AVENUE  
NEW YORK, N. Y. 10022

(212) 371-5900

CABLE TELETYPE  
NEW YORK

October 17, 1975

Hon. Edward Levi  
Attorney General of the United States  
Department of Justice  
Washington, D.C. 20530

Re: La Costa v. Penthouse

Gentlemen:

We are attorneys for defendants in the above referenced action now pending in the Superior Court of the State of California, in the County of Los Angeles. On their behalf, we make this request under the Freedom of Information Act as amended (5 U.S.C. §552).

The action is one for alleged defamation arising out of an article in the March, 1975 issue of Penthouse Magazine entitled "La Costa". A copy of the Complaint is enclosed and a copy of the Penthouse article is annexed to the complaint as Exhibit A.

The Penthouse article deals in some detail with various activities of plaintiffs. The article states, in part, that La Costa "was established and is frequented by mobsters".

By commencing the instant action, plaintiffs have put in issue the matter of their reputations, jointly and severally. We have been apprised that the Justice Department has conducted surveillance at La Costa and has made numerous reports concerning the activities of the plaintiffs in this case which bear directly upon the issue of their guilt or innocence in connection with various activities.

Accordingly, we write to request a copy of all files of the Justice Department indexed or maintained under the name or names of each and all of the plaintiffs, namely, Rancho La Costa, Inc., a Nevada corporation; La Costa Land Company, an Illinois corporation; La Costa Management Company, a California corporation; La Costa Community Antenna System, Inc., a Cali-

183-57-3

FINLEY, KUMBLE, HEINE, UNDERBERG & GRUTMAN

Hon. Edward Levi

-2-

October 17, 1975

California corporation; Paradise Homes, Inc., a California corporation; Morris B. Dalitz; Allard Roen, Mervyn Adelson and Irwin Molasky.

In the event you determine that some portions of the requested information are exempt under the Act, please provide us immediately with copies of the remainder of each of said files. We, of course, reserve the right to appeal any determination of exemption or non-disclosure.

If you determine that some or all of the requested information is exempt from release, we would appreciate your so advising us as to which exemptions you believe cover the information which you are not releasing. In any event, we would appreciate a detailed statement of the nature and content of the documents in each of the files in order to facilitate review of any decision which may be made to refuse production of the files in their entirety.

We are prepared to pay costs specified in your regulations for locating the requested files and for reproducing them. The amended Act permits reduction or waiver of such fees if it is determined that it "is in the public interest because furnishing the information can be considered as primarily benefiting the public". We believe this request plainly fits that category and request is accordingly being made that all such fees be waived.

If you have any questions concerning this request, please telephone the undersigned at (213) 489-4000.

As provided in the amended Act, we expect to receive a reply within ten working days.

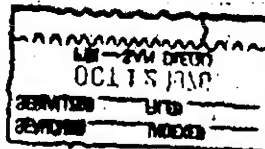
Sincerely,

FINLEY, KUMBLE, HEINE,  
UNDERBERG & GRUTMAN

By:

*Alan M. Gelb*  
Alan M. Gelb

AMG:ab  
Enc.





United States Department of Justice

TELEPHONE:  
(714) 293-5610

UNITED STATES ATTORNEY

ADDRESS REPLY TO  
UNITED STATES ATTORNEY  
AND REFER TO  
INITIALS AND NUMBER

Southern District of California  
United States Courthouse  
940 Front Street, Room 5-N-19  
San Diego 92189

WPR:jeh

October 8, 1976

Mr. Ronald L. Maley  
Special Agent in Charge  
Federal Bureau of Investigation  
880 Front Street, Suite 6-S-31  
San Diego, California 92188

Re: FOIA request in connection with Rancho  
La Costa, Inc., et al. v. Penthouse  
International Limited, et al., L.A.  
Superior Court No. C 124,901

Dear Mr. Maley:

The above-captioned request for information under the Freedom of Information Act was recently transmitted to us by the Department of Justice. Copies of the request and transmittal documents are enclosed. We have an FBI investigative report in our files under the title "La Costa Land Company".

In accordance with departmental policy, the matter, insofar as it relates to investigative reports, is being referred to you for review and response.

Sincerely yours,

TERRY J. KNOEPP  
United States Attorney

*Warren P. Reese*  
WARREN P. REESE  
Chief Assistant U. S. Attorney

Enclosure



183-57-4

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 12 1976	

67C

ROUTING AND TRANSMITTAL SLIP		ACTION	
TO (Name, office symbol or location)  United States Attorney S.D. Ca.	INITIALS	CIRCULATE	
	DATE	COORDINATION	
	INITIALS	FILE	
	DATE	INFORMATION	
	INITIALS	NOTE AND RETURN	
	DATE	PER CON - VERBATION	
	INITIALS	SEE ME	
	DATE	SIGNATURE	
<p>REMARKS</p> <p><u>FREEDOM OF INFORMATION and/or PRIVACY</u> ACT Request</p> <p>Please prepare a draft response to the attached requester and return it to this office within 10 working days.</p> <p>Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.</p>			
FROM (Name, office symbol or location)  Leslie H. Rowe - EOUSA Rm. 4121 MAIN		DATE 30 SEP 1978 PHONE 739-5011	

OPTIONAL FORM 41  
AUGUST 1967  
GSA FPMR (41CFR) 101-11.206

GPO 642-10-01110-1 410-010 5041-101

ROUTING AND TRANSMITTAL SLIP		ACTION
1 TO (Name, office symbol or location)  Les Rowe, FOI Control Officer Executive Office for U.S. Attorneys	INITIALS	CIRCULATE
	DATE	COORDINATION
2	INITIALS	FILE
	DATE	INFORMATION
3	INITIALS	NOTE AND RETURN
	DATE	PER CON- VERSATION
4	INITIALS	SEE ME
	DATE	SIGNATURE
<b>REMARKS</b>  Alan Gelb - FOI request, #0697  We are in the process of responding to the attached request. Our Division records search reflects that EOUSA may have records which pertain to the request. Accordingly, we are forwarding this request to you for a separate reply, if you have records that are relevant to the request.          Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.		
<b>FROM (Name, office symbol or location)</b>  E. Ross Buckley, Attorney in Charge FOI/Privacy Act Unit		<b>DATE</b> 9/27/76  <b>PHONE</b> 2060

OPTIONAL FORM 41  
AUGUST 1967  
GSA FPMR (41CFR) 101-11.200

5010-10-010-1 110-010 5041-101

380 Front Street  
San Diego, California 92188  
October 14, 1976

Honorable Terry J. Knoepp  
United States Attorney  
United States Courthouse  
940 Front Street  
Room 5-N-19  
San Diego, California 92189

Attention: Warren P. Reese  
Chief Assistant U. S. Attorney

Re: FOIA Request in connection with Rancho  
La Costa, Inc., Et Al. v. Penthouse  
International Limited, Et Al., L.A.  
Superior Court No. C 124,901

Dear Mr. Knoepp:

Under the provisions of the Freedom of Information and Privacy Acts, the Federal Bureau of Investigation is charged with the responsibility of responding to requests of persons or groups who have directly requested any information which may be in our files.

The request referenced above and forwarded to this office is an all inclusive "shotgun"-type request by attorneys for litigants in the above-captioned civil matter. A request of this magnitude and importance should be referred to the Freedom of Information Privacy Act Unit at FBI Headquarters for its determination of what can be released under the appropriate statutes.

2 - Addressee  
1 - San Diego (183-57)

(3)

b7C

183 57-5  
SEARCHED INDEXED  
SERIALIZED FILED

In accordance with the above, the San Diego Office of the FBI is taking no action in referenced request.

Very truly yours,

RONALD L. MALEY  
Special Agent in Charge



SAC, SAN DIEGO (66-1746 Sub 2)  
(ATTENTION: DESK #3)

10/5/76

(1) [REDACTED] (2) [REDACTED] (3) [REDACTED]

SA [REDACTED]

FREEDOM OF INFORMATION REQUEST

Chief Assistant USA WARREN P. REESE called 10/5/76 to advise he has received, under the Freedom of Information Act, a request for all Federal record information on Rancho La Costa and the four owners who are: MORRIS BARNEY "MOE" DALITZ, ALLARD ROEN, IRWIN MOLASKY, and MERVIN ADDELSON.

The request has come from ROBERT CUCCIONE - publisher of Penthouse Magazine and two free-lance writers for Penthouse - LOWELL BERGMAN of San Diego and JEFF GARTH.

b7C  
Penthouse, CUCCIONE, BERGMAN, and GARTH are all defendants in a civil libel suit brought by the owners of La Costa for an article published last year in Penthouse Magazine describing La Costa as a meeting place for top organized crime figures.

Chief Assistant USA REESE advised he will have to answer this request and he wants to coordinate his answer with the Bureau.

He was advised there is an ongoing investigation and that over the years many reports have been written on La Costa with copies to the USA's Office containing informant information and that it is quite possible the furnishing of these reports to the defendants in the civil suit might compromise the identity and well being of the informants.

REESE requested that this office contact Bureau Headquarters concerning a similar request received at Headquarters and advise him how the Bureau intends to answer this so that the answers coming from the Bureau and the Department will be identical.

1 - 66-1746 Sub 2  
① - 133-57

(2) [REDACTED]

183-57-6

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 13 1976	
FBI - SAN DIEGO	

FBI

Date: 12/6/76

Transmit the following in \_\_\_\_\_  
(Type in plaintext or code)Via AIRTEL \_\_\_\_\_  
(Precedence)

TO: SAC, KANSAS CITY

FROM: SAC, SAN DIEGO (183-NEW) (P)

NICHOLAS EVOLA, aka

Nick Evola, 92-229-602

Nick Mario " " - 1020

RICO

(OO: SAN DIEGO)

[REDACTED] For the information of Kansas City, Rancho La Costa is a multi-million dollar resort development financed with Central States Teamster Pension Fund money. It is owned and operated by MORRIS BARNEY "MOE" DALITZ and ALLARD ROEN, and two of their business associates. For years, DALITZ and ROEN operated the Star Dust and Desert Inn, Las Vegas, as "fronts" for hidden interest by various organized crime figures and LCN families.

Informant advised that at this time there is a large racquet ball complex with bar and restaurant being built at La Costa overlooking the 17th and 18th fairways on La Costa Boulevard.

[REDACTED] Informant advised EVOLA apparently is an old friend of MOE DALITZ and operates the Paramount Music and Vending Company, Kansas City.

2 - Kansas City

(4) San Diego (2 - 183-NEW)

(1) - 183-57 (RANCHO LA COSTA - RICO)

(1) - [REDACTED]

(6) - [REDACTED]

183-57-7

SEARCHED

SERIALIZED

INDEXED

FILED

Approved: \_\_\_\_\_  
Special Agent in Charge

Sent \_\_\_\_\_

M

Per \_\_\_\_\_

Informant advised EVOLA has also been in contact with other [REDACTED]

Informant claims that NICK EVOLA has made trips to Arizona with [REDACTED]

On this occasion, [REDACTED] telephone to call North Kansas City. [REDACTED] was calling a [REDACTED]

[REDACTED] also asked [REDACTED] whether or not investigators were asking any questions. [REDACTED]

[REDACTED] that one of the [REDACTED] and that there have been killings "back there". [REDACTED]

[REDACTED] but did not know the significance of these words. Informant also claims that [REDACTED] was apparently closely associated with EVOLA and had recently been released from prison and apparently was imprisoned for refusing to testify and that, according to EVOLA, "the feds have put me out of business."

Informant claims that DALITZ holds EVOLA in high regard as a capable businessman and that, in the informant's opinion, EVOLA is in business with DALITZ [REDACTED]

San Diego indices reflect NICHOLAS EVOLA as an LCN member, born 4/1/06, Kansas City, Missouri, 5'6" to 5'6½", 145 pounds, medium build, gray hair, brown eyes, dark complexion, FBI 195 927. For years he has been an associate of major Italian and Jewish organized crime figures operating out of Kansas City and is listed as owner of Paramount Music and Vending Company, Evola Realty Company, and Kansas City Finance Company, as well as having business interests in Kansas City area restaurants.

SD 183-NEW

Investigation is being opened to determine if money from organized crime activities on the part of EVOLA in Kansas City is being used to develop a racquet ball tournament complex bar and restaurant at Rancho La Costa.

(For information of Kansas City, reliability of this informant has not been established. Past information indicates informant has strong tendencies to exaggerate and speculate, especially with organized crime figures.)

LEADS

KANSAS CITY

Furnish any background information on EVOLA and advise if he is involved in illegal activities, the proceeds of which could be diverted to the business set out above.

SAN DIEGO

AT RANCHO LA COSTA. Will determine if the racquet ball courts are being developed as described by informant and attempt to determine who is responsible for developing them.

SD NOTE

**b7c** Case Agent should advise SA [REDACTED] of outcome of investigation to evaluate informant's reliability.

DIRECTOR, FBI (

12/7/76

SAC, SAN DIEGO (183-57) (P)

MERVIN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SAN DIEGO)

b7c  
Re San Diego report of SA [REDACTED] dated  
10/22/76 in matter captioned "RANCHO LA COSTA, INC., ET AL,  
AR. (OO: SAN DIEGO) SD FILE 92-398, BUFILE 92-8197."

b2  
b7C  
b7D  
For information of the Bureau, investigation into  
this matter was predicated upon receipt of information that  
possible illegal activities were being carried on by various  
organized crime figures at Rancho La Costa.

On 7/22/76, [REDACTED] observed an automobile  
bearing Nevada license plates arrive at Rancho La Costa where  
members of the Teamsters Union were meeting. The driver was  
accompanied by 3 young girls who appeared to be prostitutes.  
[REDACTED]

The San Diego Division is currently investigating  
a possible WSTA violation with regard to this information.  
[REDACTED]

b7c  
[REDACTED] - Bureau  
[REDACTED] - San Diego  
[REDACTED]

*Reasign*  
[REDACTED]  
183-57-8  
[REDACTED]  
[REDACTED]

[REDACTED]

b2  
b7c  
b7D

Continuous investigation has been conducted at the Pices Restaurant, Caesar's Palace Guest House, and La Costa Country Club Restaurant and Lounge, in an effort to determine who was meeting there and if a possible federal violation exists. Additionally, numerous spot checks have been made on captioned' subject's residence at La Costa, as well as checking the Palomar airport for any activity which may lead to investigation of a possible federal violation. The San Diego Division is continuing to investigate activities at La Costa through surveillances and logical sources to determine if any federal violations are being committed.

SD NOTE

Due to this matter being within the VISTA RA territory, it is requested that this matter be assigned to a Vista Agent.

12/21/76

AIRTEL

AIRMAIL

TO: SAC, SAN DIEGO (163-New)

FROM: SAC, KANSAS CITY (163-77) RUC

NICHOLAS EVOLA, AKA  
RICO  
OO SD

Re San Diego airtel to Kansas City dated  
12/6/76.

Enclosed for San Diego is one photograph of  
NICHOLAS EVOLA.

Captioned subject was identified by

THOMAS (HIGHWAY) SIMONE (now deceased) and  
were identified as active members of the LCH.

b2  
b7C  
b7D  
④ San Diego (Enc. 1)  
(2 - 163-New)  
(1 - 163-57)  
(1 - [redacted])  
1 Kansas City  
(1)

163-57-  
SEARCHED INDEXED  
SERIALIZED FILED  
DEC 27 1976  
FBI - SAN DIEGO

[REDACTED]

b7C  
b7D

On 12/7/70 NICHOLAS EVOLA, as owner of Paramount Music and Vending Company and [REDACTED] as owner of B & G Amusement Company were indicted, along with the Kansas City Music Operators Association for violation of the Sherman Anti Trust Act. All plead Nolo Contendere to this violation on 2/2/71. EVOLA was sentenced to 30 days confinement in the Federal Medical Center and placed on three years probation as well as receiving a \$7,500 fine. Upon their release [REDACTED]

[REDACTED] of B & G and the EVOLAs begin selling Paramount Music and Vending Company. NICHOLAS EVOLA then took the Missouri Real Estate Brokers examination and set up the Evola Real Estate Company which he told interviewing Agents was founded simply for the purpose of handling his real estate investments in the Kansas City area. He also stated to the interviewing Agent that he had land interest in the Phoenix, Arizona area which was to be his retirement income. NICHOLAS EVOLA [REDACTED]

[REDACTED] for the purpose of assisting NICHOLAS EVOLA in his real estate holdings in the Kansas City area.



MC 153-70

NICHOLAS EVOLA has informed interviewing Agents that he has undergone open-heart surgery. He pointed out that his brother JOSEPH EVOLA and his father both have died of heart disease. When last seen about eight months ago, NICHOLAS EVOLA appeared to be in extremely poor health.

NICHOLAS EVOLA is not known to have an associate by the name of [REDACTED]. The possibility exists that NICHOLAS EVOLA [REDACTED] who is commonly referred to as [REDACTED]

[REDACTED] was interviewed concerning a recent hit type killing of a member of the LCN whose brother was causing other LCN members difficulty in their businesses in the River Quay area of Kansas City, Missouri. This area is "an old town type section" of Kansas City, in which the clique members have invested heavily in bars and restaurants. At the present time, these bars are closing due to lack of business.

Investigation by the Kansas City office and the Kansas City, Missouri Police Department has developed information that the [REDACTED]

It is requested that San Diego have telephone records for BALITZ's telephone subpoenaed in an effort to identify the telephone number called on the date that [REDACTED]

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57)

DATE: 1/18/77

FROM : SRA [REDACTED]

SUBJECT: MERVYN ADELSON, aka;  
ET AL  
dba RANCHO LA COSTA, INC.;  
LA COSTA LAND COMPANY;  
LA COSTA MANAGEMENT COMPANY  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
OO: San Diego

Captioned matter was reviewed with SA [REDACTED],  
1/18/77.

b7c Since captioned matter was opened as the result  
of review of closed San Diego file 92-398 "Rancho La Costa,  
Inc., ET AL, AR, OO: San Diego" it was decided the attached  
recommendation of Inspector [REDACTED] at the time of  
last inspection would be evaluated and commented on in this  
file since file 92-398 will be contained in closed files.

①-183-57  
1-92-398  
[REDACTED]

SAC [REDACTED]  
concur [REDACTED]

183 57-109

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 31 1977	

[REDACTED]



5010-110

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CASE SUGGESTION WRITE-UP

HERVYN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Doc Dalitz;  
IRVIN MOLASKY;  
ALLARD ROSE;  
dba RANCHO LA COSTA, INC.;  
LA COSTA LAND COMPANY;  
LA COSTA MANAGEMENT COMPANY  
RICO; TEAR - PROSTITUTION;  
IGR; EGT  
OO: San Diego  
(SD File 183-NEW)

INSPECTOR [REDACTED]

This case suggestion write-up is being formulated during this inspection after review of captioned case, "RANCHO LA COSTA, INC.; ET AL; AR. OO: San Diego (SD File 92-300)," which was assigned to SA [REDACTED] opened on 2/5/74, and closed by report to Bureau on 10/22/75. Captioned business has received tremendous notoriety throughout the country by the news media. Recent information received from reliable sources indicates the possibility that illegal activities have been going on at Rancho La Costa by various organized crime figures. The following pertains to the background of Rancho La Costa, Inc.:

Rancho La Costa is a plush country club with high prestige homes located in the surrounding area. This development was originally founded, promoted and run by the above captioned four subjects, HERVYN ADELSON, IRVIN MOLASKY, convicted stock manipulator, ALLARD ROSE, protege of MEYER LANSKY, and former bootlegging and gambling figure MORRIS BARNEY DALITZ, aka Doc, who is second in the National Jewish Mob only to MEYER LANSKY. La Costa represents some 5,800 acres of prime real estate in the Northern San Diego Community of Carlsbad. Its development started in 1964, and now represents a \$57 million investment of the Teamsters through loans and commitments from the Central States Pension Fund (CSFF). (This fund is currently being audited by the United States Labor Department.)

SAN DIEGO INSPECTION  
6/1/76  
[REDACTED]

11/18/77

ADELSON and MOLASKY, in addition to their role at La Costa, are also successful producers of Lorimar Productions that own the popular TV series, "The Waltons", and "Blue Knight."

b7C. Rancho La Costa has become one of the famous spas along with Palm Springs, California, and Las Vegas, Nevada, which are used by numerous nationally prominent LCN figures, such as TONY PROVENZANO, aka Tony Pro, NICK CIVELLA, NICK RATTENNI, JOE [REDACTED] and numerous other LCN members. The list of LCN-type hoodlums and labor racketeers is extensive that use La Costa as a meeting and social place away from their homes. Also, even known ranking Teamster officials are constantly receiving special treatment, including FRANK FITZGERALDS, [REDACTED] at the La Costa Spa. *Connect*

Since 1974, numerous allegations have arisen regarding secret underworld meetings held at exclusive residences on the Rancho La Costa grounds and that groups of prostitutes are brought in from Las Vegas to handle the needs of visiting racketeers, Teamster officials, and bookmakers from all over the country. Bookmakers are most prevalent during the Del Mar racing season and accommodate overflow bettors and high rolling gamblers during the 46-day racing season. This period is alleged to be one of the highlights of the national hoodlum season. *Connect* *Prostitution*

In view of the fact that recent information received from reliable sources indicate possible Federal violations at Rancho La Costa, and the fact that the San Diego Division has developed a tremendous amount of background and intelligence information regarding captioned subjects, it is suggested that this case should be reopened under the above substantive classification RICO. This case offers excellent potential for a successful RICO prosecution and should be given continuous preferred investigative attention. *Review* *file* *connect* *in file*

b7D [REDACTED] It is recommended that you follow the below-cited outline in establishing possible prosecutive results in this case:

*Who.*

1) Review indices and <sup>183-57</sup>  
consolidate all information concerning the subjects and  
captioned businesses under one file. Include all informant  
information into this new file.

2) Determine additional  
background concerning subjects and businesses through review of  
various records at the local, state and federal levels, and  
include FBI Identification Division for criminal records,  
possible leads and photographs.

3) Immediately review  
San Diego file 92-398, and analyze all pertinent information  
to assist in this investigation. //

4) After above evaluation,  
formulate an investigative plan, including manpower needs, <sup>Amuel</sup>  
figures, misurs, elsur and any other necessary plans. Set  
up initial budget for expenses to be approved by SAC.  
Indicate projected time needed, monthly expenses for continuance,  
and any other miscellaneous items.

5) After preliminary  
investigation, planning and discussions, contact U.S. Attorney  
regarding this important case.

**b7D** 6) In your pre-planned  
study, consider selection of appropriate undercover Agent  
and include his role or position in this undercover operation  
where he can be most effective. [REDACTED]

7) Attempt to consider  
use of Agent personnel assigned to Escondido Resident Agency  
to assist in this undercover operation. Include these  
individuals in all pre-planning and discussions.

8) Will discuss with U.S.  
Attorney all possible legal problems and the possibility of  
utilizing body recording and transmitting device on undercover  
Agent. Include the wiring of suitable vehicle to be used in this

BEST COPY AVAILABLE

operation for possible recording of conversations between undercover agent and subjects.

b7D 9) Discreetly contact all [redacted] and information of the illegal activities at Rancho La Costa.

10) [redacted] used by underworld figures going to Rancho La Costa. This is most important since it will help to establish the flow of prostitutes coming into Rancho La Costa.

11) Set up the necessary administrative support through one clerk and one stenographer, who will solely handle this operation.

12) Set up security precautions regarding this undercover operation which will be handled on a need-to-know basis in your office.

Should the objectives of this investigation be obtained as a result of the above suggestions, it should not be considered all inclusive. FBIHQ should be so advised by routing slip, (Attention: Inspection Division).

Comments of SA [redacted] Supervisor [redacted] and SAC requested. [redacted]

b7C SA [redacted] 6/2/76 [redacted] The comments of the Inspector have been carefully reviewed and his suggested course of investigation concerning Rancho La Costa is worthy of pursuit. I will lend my full support to the investigation instituted by this office to achieve the most favorable results.

Supervisor [redacted] 6/2/76 [redacted] The suggestions and comments of the Inspector are appreciated. The present commitment of manpower to other organized crime targets precludes immediate allocation of manpower needed to implement this investigation. Consistent with available manpower, the Inspector's suggestion will be implemented.

b7c SAC [REDACTED]  
6/3/76  
[REDACTED]

The Inspector's analysis and suggestions relative to Rancho La Costa are certainly valid and are appreciated. I concur that a definite potential exists in the Rancho La Costa complex for substantial prosecutive accomplishments.

Recognizing that the type of investigation which will be required is such that a substantial manpower allotment will be necessary, I feel compelled at this time to limit our efforts to a compilation of intelligence data as indicated generally by the Inspector in suggestions 1 through 3. Thereafter a re-evaluation will be made and hopefully manpower can be diverted to delve more deeply into that operation as the Inspector has suggested.

As the Inspector will recognize, we have considerable manpower currently devoted to White Collar and Organized Crime matters which have good potential for accomplishments. To fully explore Rancho La Costa at this time would by reason of manpower limitations require abandoning other matters prematurely and thereby wasting already expended agent time. I do however fully concur with the Inspector except for our ability presently to expend the personnel other than I have indicated above and this will be done.

2/24/77

AIRTEL

AIRMAIL

TO: SAC, SAN DIEGO (183-57)

FROM: SAC, KANSAS CITY (183-79) P

NICHOLAS EVOLA, aka  
RICO  
OO SD

Re San Diego airtel to Kansas City, 12/6/76 and  
Kansas City airtel to San Diego, 12/21/76.

San Diego is requested to furnish Kansas City  
the results of the subpoenaed telephone records of DALITZ.  
In the event there is a telephone call made to Kansas  
City or vicinity please advise so that efforts can be made  
to determine whether or not NICHOLAS EVOLA was called.

2-San Diego (1-187-57)

2-Kansas City

*original put  
into 183-68*

*b2  
b7C  
b7D*

183-57-11

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 2 1977	
FBI - SAN DIEGO	



FBI

Date: 3/14/77  
~~10:57 AM~~ 2:25 PMTransmit the following in PLAINTEXT  
(Type in plaintext or code)Via TELETYPE URGENT PRIORITY  
(Precedence)

FM SAN DIEGO (183-57)(P)

TO SAN FRANCISCO ~~URGENT~~ PRIORITY 348

BT

CLEAR

MERVIN ADELSON, AKA MERV ADELSON; MORRIS BARNEY DALITZ, AKA MOE DALITZ; OWEN MOLASKY; ALLARD ROEN; DBA RANCHO LA COSTA, INC.; LA COSTA LAND COMPANY; LA COSTA MANAGEMENT COMPANY. RICO; ITAR - PROSTITUTION; IGB; ECT. OO: SAN DIEGO.

RE SAN DIEGO LETTER TO BUREAU DATED DECEMBER 7, 1976.

ON MARCH 10, 1977, AND MARCH 14, 1977, AUSA FRANK KEAR, SAN DIEGO, CALIFORNIA, ADVISED THAT HE HAD TELEPHONICALLY BEEN CONTACTED BY ONE [REDACTED]

[REDACTED]. ACCORDING TO AUSA KEAR,

[REDACTED] AUSA KEAR THAT AT ONE TIME [REDACTED]

[REDACTED] SUBJECT MOE DALITZ AND TWO OTHER INDIVIDUALS

183-57

1 - 183-74

SEARCHED

SERIALIZED

INDEXED

FILED

Approved: [Signature]

Special Agent in Charge

Sent

3-14-77

M

P

F B I

Date:

Transmit the following in \_\_\_\_\_  
(Type in plaintext or code)Via \_\_\_\_\_  
(Precedence)

PAGE TWO SD 183-57 CLEAR

[REDACTED]  
[REDACTED]  
[REDACTED]

AUSA KEAR ADVISED HE WAS NOT AWARE OF RELIABILITY OF  
INFORMATION BEING FURNISHED BY [REDACTED] AND SUSPECTS  
[REDACTED]  
[REDACTED]

b7C  
b7D

IT IS SUGGESTED THAT SAN FRANCISCO COORDINATE INTER-  
VIEW OF [REDACTED] AND INVESTIGATION IN INSTANT MATTER WITH  
INVESTIGATIONS BEING CONDUCTED CONCERNING LCN GANGLAND  
SLAYINGS.

SAN FRANCISCO. AT [REDACTED] CALIFORNIA. WILL  
INTERVIEW IN DETAIL SUBJECT [REDACTED]  
[REDACTED] CONCERNING HIS RELATIONSHIP WITH DALITZ AND OTHER  
SUBJECT.

BT

#

Approved: \_\_\_\_\_ Sent \_\_\_\_\_ M Per \_\_\_\_\_  
Special Agent in Charge

3/4/77

A I R T E L

TO: SAC, DETROIT (166-1444)

FROM: SAC, SAN DIEGO (166-641) (RUC)

[REDACTED] aka.;  
ET AL  
ITAR - GAMBLING; RICO  
(OO: DETROIT)

Re Detroit airtel to Albany, 2/1/77.

ADMINISTRATIVE

[REDACTED] reflect that telephone number 438-9111, is subscribed to by the La Costa Resort Hotel, Costa Del Mar Road, Carlsbad, California. Telephone number [REDACTED] is subscribed to by [REDACTED] California. [REDACTED] is identical to [REDACTED] International Brotherhood of Teamsters.

Detroit is aware that Rancho La Costa is a country club health spa resort and a multi-million dollar housing development operated by Rancho La Costa, Incorporated. This development is heavily financed by the Teamsters Union Pension Fund and is being promoted by MOE DALITZ and ALLARD ROEN, former owners of the Desert Inn and Stardust Hotels at Las Vegas, Nevada. The facilities at La Costa are frequently used by gamblers and well known individuals in the fields of entertainment, politics and business. Organized crime figures have also been observed in the past to frequent the facilities. San Diego Division continues to investigate the promoters of the La Costa complex under case file entitled, "MARVIN ADELSON, aka., Merv Adelson; MORRIS BARNEY DALITZ; aka., Moe Dalitz; IRWIN MOLASKY; ALLARD ROEN; dba Rancho La Costa, Inc.; La Costa Land Company; La Costa Management Company, RICO; ITAR - PROSTITUTION; IGB; ECT, OO: SAN DIEGO, SD 183-57".

- 2 - Detroit  
② - San Diego  
(1) - 183-57

183-57-13

166-641-2

(inadvertently placed in 166-641)

b7c Review of San Diego indices indicates that subject's name listed as [REDACTED] appears in closed San Diego file 166-203, entitled, "LAYOFF BOOKMAKERS, INTERSTATE GAMBLING MATTERS".

Subject is listed as one of 198 individuals compiled by FBI Field Offices during April, 1969 and listed as layoff book-makers. Review of file only lists subject's name as [REDACTED]  
[REDACTED]

DIRECTOR, FBI

3/24/77

SAC, SAN DIEGO (183-57) (P)

MERVIN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
OO: San Diego

Re San Diego letter to the Bureau dated 12/7/76.

On 2/24/77, contacts were made with [REDACTED] of the Organized Crime Criminal Intelligence Unit, San Diego County Sheriff's Department. [REDACTED] advised that no active criminal investigative efforts are being conducted at the Rancho La Costa Country Club or Health Spa Resort by their agency at the present time. Upon being questioned as to the extent of prostitution activities at the La Costa complex [REDACTED] replied that the La Costa area caters to the affluent which in turn attract high priced call girls. According to [REDACTED] the women appear to operate independently and there are no indications that organized prostitution rings are involved. [REDACTED] continued by saying that rumors continue to circulate that [REDACTED] however, no specific information as to time and location have been obtained. [REDACTED] stated that the Sheriff's Department is aware of two individuals who reside in the La Costa area and who are recognized by law enforcement agencies as prolific gamblers. One is known as [REDACTED] and the other individual is known as [REDACTED]. For the information of the Bureau, both [REDACTED] are subjects in San Diego file [REDACTED], entitled [REDACTED] aka; ET AL; IGB; OO: San Diego, Bufile: [REDACTED]. This is an active investigation being pursued by the San Diego Division.

2-Bureau  
(2-San Diego (92-398))

183 57-14

Subsequently on 3/4/77, contact was made with [REDACTED] Carlsbad, California Police Department. [REDACTED] stated that since 10/15/72, the Carlsbad Police Department had assumed police power responsibilities over the La Costa complex. [REDACTED] stated that the Carlsbad Police Department enjoys excellent rapport with the management at the La Costa Hotel and Spa. However, due to the limited manpower of the Carlsbad Police Force criminal intelligence gathering activities have been limited in regards to the La Costa area. [REDACTED]

[REDACTED] advised that his department has received no indication that organized prostitution rings are operating in La Costa. According to [REDACTED] the management of the hotel and spa complex discourages any type of prostitution activities and continues to project La Costa as a family resort area. [REDACTED] advised however that he at one time investigated the activities of one [REDACTED] who on occasion would turn tricks at the La Costa Hotel. [REDACTED] stated that while at La Costa [REDACTED] worked independently. [REDACTED] is described as follows:

Race  
Sex  
Age  
Hair  
Eyes

According to [REDACTED] was subsequently arrested by the San Diego County Narcotics Task Force for prostitution. The disposition of her case was not known to [REDACTED]

When questioned as to the organized gambling activities in the La Costa area, [REDACTED] replied that card games are popular among occupants of the private residences that surround the hotel and spa complex. [REDACTED] advised however that his department has received no information indicating that organized gambling is occurring.

ADMINISTRATIVE:

In regards to the alleged prostitution activities as set forth in referenced communication, no attempts were made to reinterview [REDACTED] inasmuch as this individual has been discontinued as a [REDACTED]

SD 183-57

b7D

Investigation by the [REDACTED] determined that source was unreliable and furnished erroneous information.

LEADS:

SAN DIEGO

AT SAN DIEGO, CALIFORNIA. [REDACTED]

referred

AT VISTA, CALIFORNIA. Will contact Office of NTF and obtain pertinent background information regarding individual known as [REDACTED].

b7C

XXXXXX  
XXXXXX  
XXXXXX

**FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET**

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

**Section 552****Section 552a**☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☒ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☒ (b)(7)(C)☐ (k)(1)☒ (b)(7)(D)☐ (k)(2)☐ (b)(7)(E)☐ (k)(3)☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s): \_\_\_\_\_

☐ For your information: \_\_\_\_\_

☒ The following number is to be used for reference regarding these pages:

SD 183 - 57 - 15

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XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX



UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57) (P)

DATE: 6/9/77

FROM : SA [REDACTED]

SUBJECT: MERVIN ADELSON, aka  
Merv Adelson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
OO: San Diego

The following investigation was conducted by  
SA [REDACTED]

## AT VISTA, CALIFORNIA

b7C  
b7D

On 4/28/77, [REDACTED], Narcotics Task Force, San Diego County, advised that review of her files disclosed only one case of prostitution in which the Narcotics Task Force has been involved. She stated that occurred on 11/5/75, at which time members of the Narcotics Task Force and San Diego Police Department arrested six females all on suspicion of possession and distribution of drugs. The principal subject was a [REDACTED]. At the time of the arrest of [REDACTED] she was accompanied by five other white females, names not listed in NTF records. [REDACTED] furnished pertinent background information regarding [REDACTED]

Name  
Aka  
Race  
Sex  
DOB  
Height  
Weight  
Hair  
Eyes  
SSAN

2-San Diego  
[REDACTED]

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

183-57-16

JUN 10 1977  
SI-SAN DIEGO

Subsequently on 5/16/77, contact was made with Agents [REDACTED] of the Narcotics Task Force Office, Vista, California. At that time they advised that during November, 1975, they were involved in a joint operation with the San Diego Police Department at which time they arrested six females on suspicion of drugs. Incidental to the drug arrest the females were charged by San Diego Police Department Vice Officers for prostitution. Agent [REDACTED] advised that one of the females that was charged for prostituting herself was a [REDACTED]. Agents [REDACTED] advised they had no pertinent information concerning [REDACTED] and she has not been observed by NTF Agents in the North County area since the arrest in November, 1975. [REDACTED] stated that at the time of the arrest [REDACTED] was extremely uncooperative and attempted to flee the scene of the arrest. Agents [REDACTED] advised that further pertinent information concerning [REDACTED] and the other females involved at the time of the arrest can be obtained through contact with San Diego Police Vice Officers. They advised that the principal subject at the time of the drug arrest was a [REDACTED].

LEADS:

SAN DIEGO

AT SAN DIEGO, CALIFORNIA. Will review records San Diego Police Department Vice Squad concerning a [REDACTED] [REDACTED] and obtain pertinent information regarding one [REDACTED]

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57) (P)

DATE: 7/22/77

FROM : SA [REDACTED]

SUBJECT: MERVIN ADELSON, aka;  
MORRIS BARNEY DALITZ, aka;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: San Diego)

b7C

The review of the records of the San Diego Police Department (SDPD), San Diego, California, concerning [REDACTED] determined that she was arrested 11/6/75 by the SDPD and charged with Pimping, Pandering, Inticing a Juvenile, Carrying a Concealed Weapon and a Loaded Gun. The arrest was made at the Le Baron Hotel, Room 273, at Hotel Circle North, San Diego.

At the time of her arrest, [REDACTED] was employed at [REDACTED]

[REDACTED] Her husband's name is [REDACTED] and their address was listed as [REDACTED] California, telephone number [REDACTED]

(2) - 183-57

FIS (2)



5010-110

183-57-17

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

[ she was born on [redacted] maiden name was [redacted] and [redacted] California. She currently has FBI Number [redacted]

At the time of the above arrest, [redacted] was in the company of [redacted] also known as [redacted] was further described as: [redacted]

Race:  
Sex:  
Date of Birth:  
Place of Birth:  
Height:  
Weight:  
Hair:  
Eyes:  
Social Security  
Account Number:  
CII Number:  
Occupation:

Relative:  
Home Address:

Telephone Number:

Although [redacted] was arrested at this time, [redacted] was detained by the SDPD for suspicion of the following: Conspiracy to Solicit Prostitution, Prevailing Upon a Person to Visit a House of Prostitution, and Soliciting Prostitution. [redacted] did not give a statement to the Officers and was released.

A review of [redacted] CII sheet determined that on 3/4/69, she was arrested for Petty Theft - Shoplifting at the [redacted]

At this time, her address was listed as [redacted] California, and her husband [redacted]

SD 183-57

b7c  
was listed as [REDACTED] telephone number [REDACTED]  
[REDACTED] pled not guilty to this offense and the case was  
dismissed with a notation that it was no longer considered  
an arrest. The CII sheet also contained information that on  
3/6/76, [REDACTED] was arrested for being intoxicated at the  
[REDACTED]. Her  
residence was listed as [REDACTED]. An  
emergency contact, [REDACTED] telephone number  
[REDACTED] was also listed. No disposition for this arrest  
was contained on the CII sheet.

DIRECTOR, FBI

8/2/77

SAC, SAN DIEGO (183-57) (P)

MERVIN ADDLESON, aka  
Merv Addleson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SAN DIEGO)

Re San Diego letter to the Bureau, 3/24/77.

ADMINISTRATIVE

Bureau attention is directed to San Diego file  
entitled [REDACTED] aka; ET AL, IGB, OO:  
SAN DIEGO, "Bureau File [REDACTED]"

On 5/27/77, arrests were initiated at La Costa  
complex stemming from Federal Grand Jury (FGJ) indictments  
returned at San Diego, California, as a result of a Title III  
investigation. Those arrested were [REDACTED]

[REDACTED] There were seven others  
arrested in San Diego and Los Angeles areas in connection with  
the case. Investigation by the San Diego Division has determined  
that those arrested were not connected with Rancho La Costa or  
captioned subjects [REDACTED]

2 - Bureau  
2 - San Diego  
(4)

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ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED

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[REDACTED]  
[REDACTED]  
[REDACTED] advised that he has received no indication that organized prostitution has in the past or is currently operating at the hotel/spa complex.  
[REDACTED]  
[REDACTED]

The following investigation was conducted by SA  
[REDACTED]

AT VISTA, CALIFORNIA

b7C  
b7D  
On 4/28/77, [REDACTED] Narcotics Task Force, San Diego County, advised that review of her files disclosed only one case of prostitution in which the Narcotics Task Force has been involved. She stated that occurred on 11/5/75, at which time members of the Narcotics Task Force and San Diego Police Department arrested six females all on suspicion of possession and distribution of drugs. The principal subject was a [REDACTED]. At the time of the arrest of [REDACTED] she was accompanied by five other white females. Names not listed in Narcotics Task Force records. [REDACTED] furnished pertinent background information regarding [REDACTED]

Name:  
Alias:  
Race:  
Sex:  
DOB:  
Height:  
Weight:  
Hair:  
Eyes:  
SSAN:

b7c

Subsequently on 5/16/77, contact was made with Agents [REDACTED] of the Narcotics Task Force Office, Vista, California. At that time, they advised that during November, 1975, they were involved in a joint operation with the San Diego Police Department at which time they arrested six females on suspicion of drugs. Incidental to the drug arrest, the females were charged by San Diego Police Department Vice Officers for prostitution. Agent [REDACTED] advised that one of the females who was charged for prostituting herself was a [REDACTED]. Agents [REDACTED] advised they had no pertinent information concerning [REDACTED] and she has not been observed by Narcotics Task Force Agents in the North County area since the arrest in November, 1975. [REDACTED] stated that at the time of the arrest, [REDACTED] was extremely uncooperative and attempted to flee the scene of the arrest. Agents [REDACTED] advised that further pertinent information concerning [REDACTED] and the other females involved at the time of the arrest can be obtained through contact with San Diego Police Vice Officers. They advised that the principal subject at the time of the drug arrest was a [REDACTED].

Review of the records of the San Diego Police Department, San Diego, California, concerning [REDACTED] determined that she was arrested [REDACTED] by the San Diego Police Department and charged with Pimping, Pandering, Inticing a Juvenile, Carrying a Concealed Weapon and a Loaded Gun. The arrest was made at the [REDACTED].

At the time of her arrest, [REDACTED] was employed at [REDACTED]. Her husband's name is [REDACTED] and their address was listed as [REDACTED] California, telephone number [REDACTED].



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[REDACTED] s maiden name was [REDACTED] and she was born on [REDACTED] at [REDACTED] She currently has FBI [REDACTED]

At the time of the above arrest, [REDACTED] was in the company of [REDACTED] also known as [REDACTED] was further described as:

Race:  
Sex:  
DOB:  
POB:  
Height:  
Weight:  
Hair:  
Eyes:  
SSAN:  
CII #:  
Occupation:

Relative:  
Home Address:

Telephone #:

Although [REDACTED] was arrested at this time, [REDACTED] was detained by the San Diego Police Department for suspicion of the following: Conspiracy to Solicit Prostitution, Prevailing Upon a Person to Visit a House of Prostitution, and Soliciting Prostitution. [REDACTED] did not give a statement to the officers and was released.

A review of [REDACTED] CII sheet determined that on [REDACTED] she was arrested for Petty Theft - [REDACTED]

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b7C  
[REDACTED] At this time, her address was listed as [REDACTED] California, and her husband was listed as [REDACTED] telephone number [REDACTED] pled not guilty to this offense and the case was dismissed with a notation that it was no longer considered an arrest. The CII sheet also contained information that on [REDACTED]

[REDACTED] Her residence was listed as [REDACTED] California. An emergency contact, [REDACTED] telephone number [REDACTED] was also listed. No disposition for this arrest was contained on the CII sheet.

[REDACTED]

referred

b7C  
b7D

[REDACTED]

[REDACTED] Rancho La Costa complex now encompasses approximately 10,000 acres of land. The parent corporation heading the consolidated companies continues to be Rancho La Costa Incorporated.

The satellite corporations are as follows:

La Costa Land Incorporated - incorporated in Illinois;

La Costa Country Club - incorporated in California;

La Costa Community Antenna System - incorporated in California;

El Camino Management Company - incorporated in California;

Norco Builders Corporation - incorporated in California;

Paradise Homes - incorporated in California;

La Costa Sales - incorporated in California;

La Costa Catering - inactive corporation

[REDACTED] further identified as:

MORRIS BARNEY DALITZ;

ALLARD ROEN;

MERVIN ADDLESON;

SD 183-57

IRWIN MOLASKY

[REDACTED]  
ADDLESON and MOLASKY  
in the Los Angeles area, specifically with Lomar Movie  
Productions. It is noted that Lomar Productions has been  
involved in such notable TV programs as "The Waltons" and  
"Police Story"  
[REDACTED]

LEADS

SAN DIEGO

67C  
67D  
AT [REDACTED] CALIFORNIA. (1) Attempt to  
interview [REDACTED]  
[REDACTED] California, concerning any information she may have  
pertaining to prostitution activities at the La Costa hotel  
complex.

(2) If unable to locate [REDACTED] at the [REDACTED]  
[REDACTED] will attempt to contact her through her husband,  
[REDACTED] California.

AT [REDACTED] CALIFORNIA. Interview [REDACTED]  
[REDACTED] California, re  
any information pertaining to prostitution activities at  
La Costa.

(Mount Clipping in Space Below)

## Counsel Appointed By La Costa

San Diego Union Staff Dispatch

CARLSBAD — David Zenoff, 61, former chief justice of the Nevada Supreme Court, has been appointed general counsel for La Costa Resort Hotel and Spa, La Costa Land Co. and other affiliated companies.

Zenoff served 18 years on the bench in Nevada.

He will serve as general counsel for Paradise Development Co. of Las Vegas and Realty Holdings, Inc., whose principal partners are involved in many Southern California and southern Nevada enterprises, including La Costa.

The principals are Allard Roen, who oversees La Costa; Merv Adelson, who oversees properties in Los Angeles and other parts of Southern California; Irwin Molasky, who is in charge of Nevada operations, and M.B. Dalitz, who consults on all activities, Zenoff said, describing them as "old friends" and former clients.

Zenoff assumed his new post May 2 after serving on the Supreme Court of Nevada for 12 years. He was chief justice from 1970 to 1972, a position that rotates among the justices, he said.

Zenoff said he will commute between Las Vegas, La Costa and Los Angeles and provide legal counseling on all phases of the partnership's activities.

His family, including a 15-year-old daughter, Lisa, and his wife, Beverly, will live here, he said. Lisa already has enrolled in Carlsbad High School, Zenoff said.

(Indicate page, name of newspaper, city and state.)

B.3

SAN Diego

UNION

SAN Diego

CALIF.

Date: 5-13-77

Edition:

Author:

Editor:

Title:

Character:

or

Classification:

Submitting Office:

☐ Being Investigated

b7C

SEARCHED	INDEXED
SERIAL	FILED
MAY 19 1977	
FBI - SAN DIEGO	

103-57-19

orig 92-398

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**FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET**

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552Section 552a☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☒ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☒ (b)(7)(C)☐ (k)(1)☒ (b)(7)(D)☐ (k)(2)☐ (b)(7)(E)☐ (k)(3)☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

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Page(s) withheld for the following reason(s): \_\_\_\_\_

☐ For your information: \_\_\_\_\_

- ☒ The following number is to be used for reference regarding these pages:

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 X DELETED PAGE(S) X  
 X NO DUPLICATION FEE X  
 X FOR THIS PAGE X  
 XXXXXXXXXXXXXXXXXXXXXXXX

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57) (P)

DATE: 9/2/77

FROM : SA [REDACTED]

SUBJECT: MERVIN ADDLESON, aka  
Nerv Addleson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SAN DIEGO)

Re San Diego letter to the Bureau, 8/2/77.

In response to Case Suggestion Write-up of Inspector [REDACTED] on 6/11/76, the following case summary and suggestions are being submitted:

## LA COSTA - A Historical Perspective

The investigation concerning Rancho La Costa Incorporated and the principal subjects was first initiated during December of 1964 by the San Diego Division under case file 92-398 entitled "Rancho La Costa Incorporated; Et Al, AR". The investigation was begun in response to a newspaper article which appeared in the "Vista Press", Vista, California, on 12/9/64. The article was entitled "La Costa Project Loan Recorded: 45 Acres Bought". The article, in essence, set forth that a 4 million dollar loan had been granted to Rancho La Costa Incorporated, a consolidated company for the development of a resort community near Carlsbad, California. The lenders were further identified as the trustees of the Central States Pension Fund which, at the time, included JAMES R. HOFFA, G. R. ROBERT CONDLIN, THOMAS J. DUFFEY, FRANK FITZIMMONS, C. J. MADIGAN, A. D. MATHESON, M. W. MILLER, CHARLES MORSE and others.

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(2)



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Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

Since the obtaining of this initial financing in 1964, a 10,000 acre multi-million dollar resort and housing development complex known as Rancho La Costa has come into existence. The complex includes a country club, health spa, hotel and, as previously noted, a multi-million dollar housing development. The complex is controlled through a consolidated company known as Rancho La Costa Incorporated. The four major stockholders who continue to own approximately 70% of shares outstanding in Rancho La Costa Incorporated are MERVIN ADDLESON; MORRIS BARNEY DALITZ; IRWIN MOLASKY; and ALLARD ROEN. Rancho La Costa Incorporated continues to be heavily financed by the Teamster Union Pension Fund, more appropriately known as the Trustees of the Central States Southeast and Southwest Areas Pension Fund. The total loan commitment of the Teamster Pension Fund to the La Costa complex is rumored to be approximately 99 million dollars.

Since the beginning of the Rancho La Costa complex during the early part of 1964, the name of MORRIS BARNEY DALITZ comes to the forefront as the impetus behind the entire La Costa complex. By way of lending a historical backdrop, DALITZ, better known as MOE DALITZ, was born 12/24/1899 in Boston, Massachusetts. He was born into a family with laundry interests and, in particular, he had financial interests in the Michigan Industrial Laundry Company in Detroit and the Pioneer Linen Supply in Cleveland. During the 1930s, DALITZ became the head of the "Mayfield Road Gang" which, in turn, was part of the Cleveland group or syndicate. The main financial support for the old Cleveland group was income derived from bootlegging and to a lesser degree revenue received from gambling and the numbers rackets in the Cleveland area. At the time, the top Cleveland bootleggers were [REDACTED] LOU ROTHKOPF, MOE DALITZ [REDACTED]

[REDACTED] - all hoodlums - but denied that he had associated with them during the Prohibition Era inasmuch as he had been an independent bootlegger. [REDACTED] during the Prohibition Era, among some of DALITZ' associates were ABE "LONGY" ZWILLMAN, Newark, New Jersey; the AL CAPONE gang in Chicago; [REDACTED] Detroit; LOUIS BUCHALTER; and JACOB SHAPIRO.



MOE DALITZ & Associates  
(The Cleveland group and Las Vegas - Memorandum of SA [REDACTED]  
dated 5/13/68, San Diego file 92-398 Serial 90)

The introduction of DALITZ and associates into the Las Vegas area occurred during the late 1940s. "In May of 1947, WILBUR CLARK, through friends and relatives, had raised \$250,000 and started construction of the Desert Inn Hotel in Las Vegas. By 1949, they ran out of money and the Desert Inn was yet unfinished.

The Cleveland group got in touch with CLARK, sole owner of the Desert Inn, and, by giving him \$1,300,000 to finish the place, they obtained 74% of the place, CLARK retained 25%, the remaining 1% going to HANK GREENSPUN who had been associated with CLARK but left the Desert Inn because of dislike for the Cleveland group. GREENSPUN later founded and published the 'Las Vegas Sun'.

The Cleveland group was composed of [REDACTED], MOE DALITZ, [REDACTED] and THOMAS MC GINTY. This was their introduction to Las Vegas. CLARK managed to stay on until the fall of 1964 when the Cleveland group persuaded him to sell his minority interest to them."

During the ensuing years, DALITZ and associates ADDLESON, MOLASKY and ROEN have continued to enlarge upon their proprietary interests in the Las Vegas area. Furthermore, criminal intelligence information indicates that DALITZ and other DRAM associates have maintained contact with organized crime elements (DRAM is an abbreviation coined by DALITZ and associates and stands for DALITZ, ROEN, ADDLESON and MOLASKY); however, the type of relationship enjoyed by various DRAM members with organized crime has not been clarified through investigation. It can be postulated that DALITZ, due to his early association with the Cleveland syndicate, would reasonably continue to have ties with elements associated with organized crime. Furthermore, DRAM's continued vested interests in the Las Vegas area would also be a contributing factor to their organized crime connections.

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DRAM Today

Today, DRAM is occupied in business interests located in Nevada, Southern California, and Northern California. MOE DALITZ continues to be recognized as the titular head in the DRAM organization; however, DALITZ, who is now in his early 70s, is assuming a semi-retired posture. On the other hand, ALLARD ROEN continues to manage the La Costa complex and oversees the day-to-day running of Rancho La Costa Incorporated. MOLASKY and ADDLESON are involved in the Lomar TV Productions in Los Angeles and other DRAM business interests in the Northern and Southern California areas.

b7C  
b7D [REDACTED]

[REDACTED] Rancho La Costa complex now encompasses approximately 10,000 acres of land. The parent corporation heading the consolidated companies continues to be Rancho La Costa Incorporated.

The satellite corporations are as follows:

La Costa Land Incorporated - incorporated in Illinois;

La Costa Country Club - incorporated in California;

La Costa Community Antenna System - incorporated in California;

El Camino Management Company - incorporated in California;

Norco Builders Corporation - incorporated in California;

Paradise Homes - incorporated in California;

La Costa Sales - incorporated in California;

La Costa Catering - inactive corporation

Further identified as:

MORRIS BARNEY DALITZ;

ALLARD ROEN;

HERVIN ADDLESON;

IRWIN MOLASKY

ADDLESON and NOLASKY interests in the Los Angeles area, specifically with Lomar Movie Productions. It is noted that Lomar Productions has been involved in such notable TV programs as "The Waltons," and "Police Story"

*referred*

[REDACTED]

Case Evaluation

The investigation of Rancho La Costa and specifically the DRAM principals has been directed to the assimilation of criminal intelligence and, more recently, the application of the "Racketeer Influenced & Corrupt Organizations (RICO)" Statute. Since the beginning of this investigation in December of 1964, a wide spectrum of investigative techniques have been implemented; however, a candid evaluation of the investigative results to date would necessarily indicate a substantial amount of investigative detail lacking in prosecutive potential. Recent investigation has revealed that the DRAM principals, with the exception of ROEN, continue to be involved in various financial enterprises both in California and Nevada but are rarely at the La Costa complex.

*referred*

[REDACTED]

Recommendations

A major weakness discerned in the investigation of Rancho La Costa Incorporated has been the inability to penetrate DRAM. Whether this would result in significant prosecutable information is debatable; however, prior to terminating this investigation, it is suggested that consideration be given to the possible selection of a qualified undercover agent to be placed in the Rancho La Costa complex. It is further suggested that the agent have certain expertise in the field of business or related areas.

In closing, it is believed by this writer that the continued implementation of other investigative techniques against DRAM would be superfluous and would serve no worthwhile purpose.

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57)

DATE: 9/28/77

FROM : ASAC [REDACTED]

SUBJECT: MERVIN ADDLESON, aka.;  
MORRIS BARNEY DALITZ, aka.;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SD)

Re memo of SA [REDACTED] 9/2/77.

b7C  
Referenced memo recommends that consideration be given to the possible selection of a qualified undercover Special Agent to be placed at the Rancho La Costa complex. Although this suggestion echoes that made by the inspection staff at the time of the last inspection, I do not believe sufficient probable cause has been established to justify an undercover approach.

Review of this file reflects that no allegations of substantive violations have been developed in recent years and that the original allegations of hoodlum investment in Rancho La Costa have been investigated by the FBI, the IRS, and the Department of Labor since 1964, all with negative prosecutive results. Because Rancho La Costa apparently continues to be a resort and meeting place for a number of prominent hoodlums, I strongly recommend that investigation be continued to verify this fact. Effort should be made to develop sources familiar with the Rancho La Costa complex who can identify the comings and goings of these prominent hoodlums and who can specify when and where they are meeting. Thereafter, if a specific area or activity at Rancho La Costa can be identified as suitable to an undercover approach, recommendations in this regard should be submitted.

2 - SD 183-57

③ [REDACTED]  
② [REDACTED]

183-57-22

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Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

It is noted that [REDACTED]

b7D

[REDACTED] could provide an opportunity to develop broader coverage at this community. Likewise, burglary and theft reports at Rancho La Costa which fall within the ITSP guidelines should be considered in terms of their potential to penetrate hoodlum influence in this area as well as potential for prosecution.

then

UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57) (P)

DATE: 10/14/77

FROM : SA [REDACTED]

SUBJECT: HERVYN ADELSON, aka;  
ET AL  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SD)

The following investigation was conducted by  
SA [REDACTED]  
AT [REDACTED] CALIFORNIA

b7C

On 10/7/77, [REDACTED] was contacted at her residence, [REDACTED] California. [REDACTED] advised that since her arrest on drug charges by the San Diego County Narcotics Task Force on [REDACTED] she has not patronized the La Costa Resort area. [REDACTED] candidly stated that for a period of approximately six months prior to her arrest, she had worked as a "free lance prostitute" at the La Costa complex. She informed the interviewing Agent that during this period, she did not work exclusively at the La Costa Resort but patronized other bars and eating establishments in the North County area. She stressed, however, that during all occasions, she worked as an independent and was never cognizant of organized prostitution or call girl rings working at La Costa. She continued by stating that to the best of her knowledge, the presence of call girls was never condoned or supported by the managerial personnel at La Costa. She described La Costa as a typically lavish resort community which would naturally attract call girls due to the demands of the visiting guests. She advised that she solicited the majority of her tricks and that she was never approached to perform her services by any of the DRAM principals. She advised that she knew of no girls who are currently soliciting or offering their services at the La Costa complex. She advised that she is currently completing her probation having to do with her drug arrest during November of 1975.

In closing, [REDACTED] advised that she currently resides with her husband and two children in [REDACTED] California, and hopes to remain in the area. She stated that she is attempting to conceal that portion of her life having

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(2)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

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SAN DIEGO

SD 183-57

to do with her activities at La Costa from her family and, in particular, her children. She requested that she not be contacted in the future inasmuch as her children may become aware of her past activities.



UNITED STATES GOVERNMENT

# Memorandum

TO : SAC, SAN DIEGO (183-57) (P)

DATE: 11/17/77

FROM :

SA [REDACTED]

SUBJECT:

MERVYN ADELSON, aka;  
ET AL  
RICO; ITAR - PROSTITUTION  
(OO: SAN DIEGO)

The following investigation was conducted by  
SA [REDACTED]

AT CARLSBAD, CALIFORNIA

b7c  
b7D

[REDACTED]

(2) - 183-57  
[REDACTED]

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NOV 16 1977	
FBI - SAN DIEGO	

[REDACTED]



5010-110

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

DIRECTOR, FBI

2/23/78

SAC, SAN DIEGO (183-57) (C)

MERVIN ADDLESON, aka  
Merv Addleson;  
MORRIS BARNEY DALITZ, aka  
Moe Dalitz;  
IRWIN MOLASKY;  
ALLARD ROEN;  
dba Rancho La Costa, Inc.;  
La Costa Land Company;  
La Costa Management Company  
RICO; ITAR - PROSTITUTION;  
IGB; ECT  
(OO: SAN DIEGO)

DO NOT DESTROY  
FOI/PA REQUEST  
RECEIVED

10/89/22 190-SD-41354

Re San Diego letter to the Bureau, 8/2/77.

On 10/7/77, [REDACTED] was contacted at her residence, [REDACTED] California. [REDACTED] advised that since her arrest on drug charges by the San Diego County Narcotics Task Force on [REDACTED] she has not patronized the La Costa Resort area. [REDACTED] candidly stated that for a period of approximately six months prior to her arrest, she had worked as a "free lance prostitute" at the La Costa complex. She informed the interviewing Agent that during this period, she did not work exclusively at the La Costa Resort but patronized other bars and eating establishments in the North County area. She stressed, however, that during all occasions, she worked as an independent and was never cognizant of organized prostitution or call girl rings working at La Costa. She continued by stating that to the best of her knowledge, the presence of call girls was never condoned or supported by the managerial personnel at La Costa. She described La Costa as a typically lavish resort community which would naturally attract call girls due to the demands of the visiting guests. She advised that she solicited the majority of her tricks and that she was never approached to perform her services by any of the DRAM principals. She advised that she knew of no girls who are currently soliciting or offering their services at the La Costa complex. She advised that she is currently completing her probation having to do with her drug arrest during November of 1975.

2 - Bureau  
1 - San Diego  
[REDACTED]

FD-317-1  
Close #6  
2/22/78

183-57-225  
2/23/78  
[REDACTED]

[REDACTED] advised that she currently resides with her husband and two children in [REDACTED], California, and hopes to remain in the area. She stated that she is attempting to conceal that portion of her life having to do with her activities at La Costa from her family and, in particular, her children. She requested that she not be contacted in the future inasmuch as her children may become aware of her past activities.

In closing, [REDACTED] advised that she was acquainted with a [REDACTED]. She stated that she last heard that [REDACTED] was residing in the [REDACTED] California, area, specific address unknown. According to [REDACTED], [REDACTED] rarely patronized the La Costa Spa & Resort. [REDACTED] characterized [REDACTED] as being extremely anti-law enforcement and stated that she has not seen [REDACTED] for the last two years.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] He advised that rumors continue to circulate concerning show girls being brought in from the Las Vegas, Nevada, area from time to time to entertain important guests at La Costa. [REDACTED]

[REDACTED] emphasized that there are no indications that organized prostitution rings are operating at the La Costa complex.

SD 183-57

ADMINISTRATIVE

For the information of the Bureau, a crime prevention survey concerning the La Costa Hotel & Spa has recently been completed by the San Diego Division. As previously noted in referenced communication, the survey was requested by La Costa managerial personnel in light of continuing jewelry thefts that have occurred at the resort. The survey was well received by the La Costa Hotel administrative staff and, as a result of the survey, the San Diego Division has begun to develop a close liaison with La Costa managerial personnel.

After a thorough review of La Costa case file by San Diego Division, current investigation concerning La Costa is being discontinued inasmuch as recent investigative efforts have failed to prove substantive violations under the RICO Statutes. The San Diego Division will, of course, continue to investigate ITSP and related matters at the La Costa complex and exercise Bureau jurisdictional interests. Furthermore, in the eventuality that RICO violations are uncovered, an investigation will immediately be opened.

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ Airtel

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 8/24/87

TO: ACTING DIRECTOR, FBI

FROM: SAC, LAS VEGAS (66-533)

DESTRUCTION OF RECORDS

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION (NARA)  
 APPRAISAL OF FBIHQ AND FIELD RECORDS

Re Bureau airtel to all SACs. 10/31/86.

Per instructions in referenced Bureau airtel, you are requested to stamp for permanent retention your corresponding case file, if not destroyed pursuant to a previously authorized file destruction program, regarding the following 97 cases: (cases listed on the following pages)

Auxiliary office file covers should be affixed with the stamp: "X, DO NOT DESTROY, HISTORICAL VALUE, NATIONAL ARCHIVES."

## 11- Bureau

(1 - 92-3068)  
 (1 - 92-3969)  
 (1 - 92-4157)  
 (1 - 92-6296)  
 (1 - 92-6239)  
 (1 - 92-6263)  
 (1 - 92-6262)  
 (1 - 92-6286)  
 (1 - 92-7348)  
 (1 - 92-6692)  
 (1 - 92-7696)

**"DO NOT DESTROY: HISTORICAL VALUE  
 NATIONAL ARCHIVES"**

1 - All Field Offices *San Diego*

## 13- Las Vegas

(1 - 66-533)  
 (1 - 92-461) (1 - 92-476) (1 - 92-571) (1 - 92-703)  
 (1 - 92-704) (1 - 92-706) (1 - 92-707) (1 - 92-739)  
 (1 - 92-921) (1 - 92-2122) (1 - 92-3463) (1 - 92-3584)

IMB/imb  
 (82)

Approved: *Jew*

Transmitted

(Number)

(Time)

SEARCHED MANUALLY

SEARCHED FOIMS

183-57-20

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 02 1987	
FBI - SAN DIEGO	

LV 66-533

LV 92-461  
HQ 92-3068

✓ 92-38\*, 183-57-2\* AND NUMEROUS REFS  
MORRIS BARNEY DALITZ, aka Moe Davis, Moe Barney Dalitz, Moe Barney  
Davis, William Davis, B. Dalitz, M. Dalitz, M.B. Dalitz, Moe  
Dalitz, M. Barney Dalitz, Frank Bennett, William T. Marti;  
ANTI-RACKETEERING  
OO: LAS VEGAS

62  
b7c  
[REDACTED]  
ANTI-RACKETEERING  
OO: LAS VEGAS

[REDACTED]  
ANTI-RACKETEERING  
OO: LAS VEGAS

LV-92-703  
BU 92-6296  
✓ 1742-1196\*, 92-425\* AND NUMEROUS REFS  
DUNES HOTEL, Aka, M and R Investment Company, dba as DUNES HOTEL  
LAS VEGAS, NEVADA  
ANTI-RACKETEERING  
OO: LAS VEGAS

LV 92-704  
BU 92-6286  
✓ 92-285\*, 9-673\*, 92-207-10340  
FLAMINGO HOTEL  
LAS VEGAS, NEVADA  
ANTI-RACKETEERING  
OO: LAS VEGAS

LV 92-706  
BU 92-6263  
✓ 87-6119\*, 92-1416\*, AND NUMEROUS REFS  
STARDUST HOTEL, Aka, Karat, Inc.;  
LAS VEGAS, NEVADA  
OO: LAS VEGAS

67c  
[REDACTED]  
SEARCHED MANUALLY

SEARCHED FOIMS



LV 66-533

LV 92-707

BU 92-6262

✓ 92-252\*

DESERT INN HOTEL

LAS VEGAS, NEVADA

OO: LAS VEGAS

LV 92-739

BU 92-6329

✓ 92-270\*, 9-673\*

FREMONT HOTEL

LAS VEGAS, NEVADA

ANTI-RACKETEERING

OO: LAS VEGAS

ANTI-RACKETEERING  
OO: LAS VEGAS

ANTI-RACKETEERING  
OO: LAS VEGAS

ANTI-RACKETEERING  
OO: LAS VEGAS

3\*

SEARCHED MANUALLY

SEARCHED FOIMS